1	A	I'll work on it.
2	Q	Very few things get past you, Pastor.
3		Do you recall, did a reporter interview you?
4	A	A couple reporters were there.
5	Q	Do you remember their names?
6	A	Not really.
7	Q	What was the reason they were interviewing you,
8	if you can r	emember?
9	A	They were doing a story about whether I was a
10	cult leader,	was I a religious spiritual guru, what was
11	Set Free act	ually doing.
12	Q	And the word "figurehead," who used the word
13	"figurehead"	?
14	A	Myself.
15	Q	And how did it come about that you used the
16	word "figure	head"?
17	A	They were asking me about my financial
18	situation wi	th TBN, how much I got paid for being on, you
19	know, the Na	tional Minority TV situation. In other words,
20	they wanted	to know how did I do moneywise, because we had a
21	ranch, we ha	d some homes, things like that.
22		And I told them, "I am a figurehead from Set
23	Free. I'm a	pastor. I am on that board there." But it has
24	nothing to d	o with money. It was all in the context of how
	_	



much money do I get paid. 21

1	Q That was the sense in which you were talking
2	about a figurehead?
3	A Yes. Getting those yeses in there.
4	Q Did you talk about NMTV with the reporters?
5	A Not really.
6	Q Well, was there a discussion of NMTV?
7	A Yeah. They asked about, you know, my
8	association with TBN, and I shared a little bit about that.
9	Q Did they ask you about your association with
LO	NMTV?
11	A I don't think that they really knew any details
L2	about anything like that to ask, per se, NMTV or anything
L3	like that. It was all general.
L 4	Q Well, did they ask about the relationship of
L5	NMTV to TBN?
L6	A In a real general way. But, like I said, they
L7	didn't have any, you know, "Are you part of NMTV?" they
L8	didn't have any detailed-type questions like that, very
L9	general and vague.
20	Q Did they ask you whether you were a director or
21	an officer of NMTV?
22	A Yes. They asked me in the sense of, you know,
23	"Are you on the board?" or this type of thing.
24	Q Of NMTV?
25	A They kent acking it in the context of asking.



1	"Are you getting paid? Are you making money?" Because the
2	whole article and the association was that I had a lot of
3	money, and so they were putting this together with "I heard
4	you have classic cars," things like that.
5	Q Did they ask you if you were an officer of
6	NMTV?
7	A I don't know if they asked me if I was an
8	officer.
9	Q Did they ask you if you were a director of
10	NMTV?
11	A I am not sure if they asked me if I was a
12	director. It was all about money.
13	Q How long was the interview, Pastor?
14	A Oh, probably you mean that portion of the
15	interview?
16	Q No, the whole interview.
17	A I think they actually spent time with me
18	personally maybe half an hour. They talked to different
19	people at our ranch and things like that.
20	Q I was talking about the interview with you.
21	A About half an hour, probably, personally.
22	Q The word "figurehead" appears several times on
23	page l of your affidavit. You see how the word "figurehead"
24	is in quotes?



Uh-huh.

1	Q	What did you mean by the word "figurehead"?
2	A	Head honcho. I'm the head honcho.
3	Q	That's what you thought "figurehead" meant
4	there when y	ou were using the word "figurehead"?
5	A	That's what it does mean.
6	Q	That was your understanding, head honcho?
7	A	Yeah, the boss man. Where it says concerning
8	me being a f	igurehead, right?
9	Q	Yes.
10	A	Yeah, I'm the pope of the group there.
11	Q	And that's what you understood the word
12	"figurehead"	to mean when you used it in your interview?
13	A	That's what it does mean to me. Like I said,
14	in my mind,	I was thinking like the honcho, and pope is just
15	kind of like	an extra.
16	Q	I understand. You are being very clear.
17	A	Kind of like street language a little.
18	Q	I understand. You are a very articulate man.
19	You know how	to use words. You are clear.
20		So when you were using the word "figurehead,"
21	you were usi	ng it to signify that you were the head man of
22	what?	
23	A	Set Free.
24	Q	And that's the sense in which you were using
25 1/_	the word?	24
114		

1	A Ye	ah, because, see, they're asking me questions
2	about money, abo	out I'm a cult leader, and everything like
3	that, and my who	ole point is yeah, I am the figurehead. I
4	mean, I'm the g	uy that everybody the champ or the chump
5	in the situation	n.
6	Q Th	e boss?
7	A Ye.	ah.
8	Q Di	d they talk about whether you were the boss
9	of NMTV? Did to	hat come up?
10	A No	t really.
11	Q The	ey weren't interested in that, that's what
12	you're saying to	o me, right?
13	A Th	ey wanted to know about my money. They were
14	more on me.	
15	QI	got you. Now I want to bring you back to
16	even before 199	1. And paragraph 2, number 2, of your
17	affidavit deals	with that. Why don't you spend a minute, if
18	you need to, and	d read what you said, if you wish to.
19	A Pa	ragraph number 2?
20	Q Ye	s. We've talked about paragraph number 1,
21	and now I wante	d to ask you about numbered paragraph 2.
22	Le	t's go off the record.
23	(R	ecess taken.)
24	BY MR. COHEN:	
25	QI	wanted to ask you about the preparation of



1	the affidavit. In connection with its preparation, you said
2	that you spoke with your secretary and she in turn spoke
3	with Jane Duff.
4	Do you remember how long, was it a couple of
5	days or a week, how long it took to get this document
6	prepared and signed by you?
7	A It seemed like it took a while. Seems like it
8	took within four weeks or something like that.
9	Q Four weeks. During that course of time did you
10	have the occasion to talk to Paul Crouch about anything?
11	A No.
12	Q He never spoke with you during that period of
13	time?
14	A No.
15	Q Now, we're talking about paragraph 2 here.
16	When you got the call in early August, the call from Jane
17	Duff, was that the first time you knew anything about NMTV?
18	Had you ever heard about it? Was its name familiar to you?
19	A I recollect that I briefly heard about it, but
20	that was the first time I had any real interest in the sense
21	of seeking out information about it.
22	Q Well, you had heard about it before, you say?
23	A Yeah.
24	Q And what did you know about it when she called
25	vou?

Sarnoll

1	A	That Jim McClellan, who was one of the hosts on
2	the TV netwo	rk, moved up to Oregon, and I knew that he had
3	something to	do with an extension of the network, that type
4	of thing, and	d I didn't know anything more than that, because
5	of a friend of	who had worked down there for years at TBN was
6	relocated in	Oregon.
7	Q	That was Jim McClellan?
8	A	Yes.
9	Q	Jim McClellan was a friend of yours?
10	A	Uh-huh.
11	Q	So you knew Jim McClellan
12	A	From the TV program.
13	Q	When he was working here
14	A	For TBN.
15	Q	And then he moved up to Oregon?
16	A	Uh-huh.
17	Q	And you knew that?
18	A	That he moved up there, yes.
19	Ω	What was your understanding of what he was
20	doing in Ore	gon?
21	A	He was managing a TV station, and just the
22	vaguest thin	g, you know, it was another station, and that
23	was about it	•
24	Q	Did you know anything else about NMTV?



No.

1	Q	Did you know who was the licensee of the
2	Portland	station?
3	A	No.
4	Q	Did you ever learn who the licensee was? Did
5	you ever	come to learn who do you know what I mean by the
6	term "lic	censee"?
7	A	No.
8	Q	Who owned the Portland station? Did you ever
9	learn who	o owned it?
LO	A	Did I ever learn who owned it?
Ll	Q	Yes.
L2	A	NMTV owned it.
L3	Q	When did you learn that?
L4	A	When I became part of the board, and they
L5	informed	me of these things.
L 6	Q	So you got this call, according to your
L7	affidavit	, from Jane Duff in late July or early August?
L8	A	Yes, sir.
L9	Q	When you wrote this affidavit, were you relying
20	on your r	memory or someone else's memory in saying that it
21	was late	July or early August?
22	A	I was trying to look through our paperwork that
23	my secre	tary and I had and we were trying to jog our memory,
24	and we ga	ave it the best shot that we had.
25	Q	You notice, going on in this affidavit, it



1 states: 2 "In late July or early August of 1990 3 I received a call from Jane Duff in which she 4 related that NMTV, Inc., an organization that 5 was minority owned and which had some 6 religious television stations, needed another 7 director on the board." 8 Do you see that? 9 Yes. 10 Did she tell you that the organization was 11 minority owned? 12 She related it through my secretary, once 13 again. My secretary answers the phone. 14 This is back in July or early August of 1990? 15 A Right. 16 She told your secretary back then that the 17 organization was minority owned? 18 My secretary informed me that they were 19 interested in having me become a part of the board of 20 directors, and they gave her an overview of what the board 21 consisted of and what they were trying to do and that it was 22 going to be minority controlled and that they'd like me to 23 be part of it.

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24

to understand what you say.

Now, I'm not trying to confuse you. I'm trying

I thought earlier you said that

1 you got a call from Jane Duff. 2 My secretary got a call from Jane Duff. 3 Q Excuse me. It was your secretary that got the call, not you? 5 Every time I get communication, from now on, 6 you will understand, it's always my secretary. I don't 7 answer the phone. 8 Well, you didn't tell me that, so I didn't know 9 that. 10 I'm sorry. My secretary always answers the 11 phone. I never answer the phone. 12 So when you --13 MR. TOPEL: Let him finish. 14 THE WITNESS: And so just any time on it's always --15 I'm sorry for not communicating it correctly, but my 16 secretary is always the one who relays the information to 17 me. 18 And in this case she told me what Jane Duff had 19 to share about the station, and this is my first real 20 learning about NMTV and that it was a minority controlled 21 station. 22 BY MR. COHEN: 23 Let me first ask you: Why did you say in your 24 affidavit you received the call from Jane Duff when it was 25 your secretary who received it?

Samolf

1	A Because we work together as a team that it's
2	just, like I say, "we" is I. When my son does a rap dance,
, 3	I feel like I did the rap dance even though it was him, I
4	feel so close to him.
5	Q But the conversation was actually between Jane
6	Duff and your secretary?
7	A Yes, sir.
8	Q You never had a conversation with Jane Duff,
9	then?
10	A Right.
11	Q Your secretary told you about the conversation
12	she had with Jane Duff?
13	A Yes.
14	Q She told you that Jane Duff told her that the
15	organization was minority controlled?
16	A Yes.
17	Q And did your secretary tell you anything about
18	what Jane Duff had said concerning minority control?
19	A No. It was real general.
20	Q Did you have an understanding back in August of
21	1990 as to what the words "minority controlled" meant?
22	A Once I went to the first meeting, yes.
23	Q Okay. You did have an understanding when you
24	first went to the first meeting, and what was your
25	understanding? 31



1	A	That the decisions to be made will be voted on
2	and it would	be minorities who would be the controlling
3	partners of	the board of directors or the organization, or
4	I'm not sure	what words would be correct to use there, but
5	that it would	d be minorities who would be in charge.
6	Q	So it would be minorities who would be making
7	the decisions	3?
8	A	Yes, sir.
9	Q	And who were the minorities on the board, to
10	your knowled	ge?
11	A	Jane Duff and myself.
12	Q	So it was your understanding, then, that you
13	and Jane Duf	were going to be making the decisions about
14	that organiza	ation?
15	A	Well, there would be three of us at the time,
16	but the two	of us were minorities, and so
17	Q	The two being you and Jane Duff?
18	A	Yes. The voting situation is 2 to 1.
19	Q	Now, you notice your affidavit states, "an
20	organization	that was minority owned." It doesn't use the
21	words "minor	ity controlled."
22	A	Uh-huh.
23	Q	Can you explain that, why "minority owned" is
24	used there r	ather than "minority controlled"?
25	. A	Just kind of one in the same to me. 32
1	1	



	Ī.	
1	Q	And when you say they are one in the same to
2	you, has an	ybody ever talked with you about that matter as
3	to whether	ownership or control are one in the same?
4	A	No.
5	Q	You've never had any discussion about that?
6	A	Not that I can recall. This is the first.
7	·Q	I didn't mean to cut you off. Is that anything
8	that you ev	er talked with Mr. Topel about?
9	A	I don't think so. This is kind of my first
10	time of rec	ollecting even thinking about that.
11	Q	Did you ever speak with Joe Dunne about that?
12	A	Not to my recollection.
13	Q	Or Paul Crouch?
14	A	No.
15	Ω	Or Jane Duff?
16	A	No.
17	Q	So this is the first time you've ever focused
18	on that, th	is very minute?
19	A	That I can recall, yes.
20	Ω	The words "minority owned" that are set forth
21	in your aff	idavit, those are words that you got from your
22	secretary,	and she in turn got them from Jane Duff; is that
23	the way it	worked?
24	A	Well, when we talked about putting this
25	together an	d then it was sent back, all information as far 33



San Diego

1	as correct word usage would definitely go through my
2	secretary, yes.
3	Q Well, what I'm trying to get straight, Pastor,
4	is: As I understand what you're telling me, back in August
5	of 1990, July or early August, your secretary had a
6	conversation with Jane Duff?
7	A With Jane, right.
8	Q And that was a telephone conversation?
9	A Yes.
10	Q Then she told you about the conversation,
11	right?
12	A Yes, sir.
13	Q And it turns out that you've stated in your
14	affidavit that
15	A I see, that she talked about minority owned?
16	Q That's right. What I'm trying to find out is:
17	Is that what your secretary told you Jane Duff said, or how
18	did the words "minority owned"
19	A That's a good question right there.
20	Q Think about it for a minute.
21	A I can't remember.
22	Q Don't be so quick. Think about it before you
23	say you can't remember.
24	MR. TOPEL: I think you are arguing with the witness.
25 //	MR. COHEN: You don't represent the witness. 34
40	3

Sarnoff

1	MR. TOPEL: I understand. I didn't make an			
2	instruction. But I have an interest in having an orderly			
3	proceeding.			
4	BY MR. COHEN:			
5	Q Pastor, I am not trying to argue with you at			
6	all.			
7	A The "owned" or "controlled," I look at it now,			
. 8	and, like I say, when I talk, I talk pretty basic language,			
9	and I can mean the same thing by just saying one word			
10	"controlled" or "owned" means basically the same to me.			
11	But, I guess, looking at it and really zeroing			
12	in, it could mean a whole bunch of different things. But			
13	when my secretary related to me, I don't remember if it was			
14	"owned," "controlled," "processed by" or "overseeing" or			
15	anything. They are all kind of one in the same in one lump			
16	to me.			
17	Q That's fine. That's your answer. And this is			
18	information that you learned from your secretary after she			
19	in turn talked to Jane Duff; is that right?			
20	A Yes, sir.			
21	Q Now, going on in your affidavit, you say you			
22	knew both Mrs. Duff and Dr. Crouch. How did you know			
23	Mrs. Duff? We are speaking as of July or early August of			
24	1990.			
25	A Just from the TV station. It's kind of a small			

Orange County

San Diego

1	group in the sense that once you go down there and you are			
2	on the program, or something like that, you get to meet the			
3	different people and stuff like that.			
4	Q That was the same way you knew Dr. Crouch?			
5	A I knew him from the TV program, yes.			
6	Q Same way. I want to ask you about paragraph 6			
7	of your affidavit. You'll notice it states there that "Norm			
8	Juggert, who was Trinity's lawyer and a corporate			
9	officer"			
10	Do you see that?			
11	MR. TOPEL: What page?			
12	MR. COHEN: Paragraph 6, page 4.			
13	THE WITNESS: Okay.			
14	BY MR. COHEN:			
15	Q Now, this is your affidavit we're talking			
16	about. How did you know that Mr. Juggert was Trinity's			
17	lawyer?			
18	A Just associated, they talked about it on TV,			
19	just commonly known.			
20	Q It was commonly known to you?			
21	A To everybody who watches TBN.			
22	Q That he was their lawyer?			
23	A Uh-huh.			
24	Q And how did you know he was a corporate			
25 (4)	officer? Look at your affidavit. Again, it says he was a 36			



Orange County

1	corporate officer.			
2	A Well, he was always at every meeting we ever			
3	had there like that.			
4	Q At every NMTV meeting?			
5	A Different meetings of every sort we had there			
6	at TBN. I mean, I always looked at him as he was a lawyer			
7	for everything. That's my view. I thought he was a lawyer			
8	for everything.			
9	Q Did you look upon him as NMTV's lawyer?			
10	A I looked at him, yeah, like a lawyer who			
11	basically had his nose in everything.			
12	Q In the preparation of your affidavit, did			
13	somebody else, either Joe Dunne or Jane Duff or someone			
14	else, suggest to you or put this language in that			
15	Mr. Juggert was Trinity's lawyer and a corporate officer, or			
16	was that something you knew independently?			
17	A No. This would be something my secretary			
18	would if she had it in our files or she looked over the			
19	minutes or things like that, she would see that and put that			
20	in there. She's more detailed than I am.			
21	Q Now, it states that "Norm Juggert, who was			
22	Trinity's lawyer and a corporate officer, I believe			
23	occasionally does legal work for Set Free on a voluntary			
24	basis."			

25 Sarnoff How did you know that?

1 Because we were being asked about welfare 2 exemption forms for our homes, and we didn't know exactly 3 how to do them, so I had them call up Norm and ask him if he'd tell us what the format is, where we get the forms at, 5 so he had one of his assistants help us in our first-time 6 preparation of the tax forms. 7 And he didn't charge you for that? No. 9 So that's what you meant by it was done on a 10 volunteer basis? 11 Yes. He just did it one time for us, and we 12 did it ever since. 13 I want to ask you about page 4, going on to the 14 Set Free volunteer. Do you see that paragraph on the 15 bottom? 16 Yes, sir. 17 It says, "Each month Set Free receives a 18 payment of \$5,000 from TBN." 19 Uh-huh. 20 Is that still in effect? It's been out of effect for, gosh, I don't 21 22 know, maybe a year. It was only in effect for probably a 23 couple years or a year. 24 Well, it was in effect when you signed this

Samolf

25

affidavit?

1	A Yeah. That's what I'm saying.
2	Q Then that relationship ceased?
3	A Yes. We just got so involved, that we couldn't
4	fulfill our obligations in a lot of areas. My ministry just
5	started growing, so we weren't able to do everything to help
6	out.
7	Q Does Set Free have a contractual relationship
8	with TBN today?
9	A No.
10	Q No relationship at all?
11	A The only kind of relationship we have
12	contractually right now is we have homes and we have like a
13	contract in the sense of no liability or responsibility to
L4	each other that way, and as long as we perform and do the
15	things in accordance with all the laws and everything in our
L6	homes, that everything will be fine, you know. So it's a
L7	liability contractual agreement, is all that it really is.
18	We don't have anything performance-wise to each other.
L9	Q I have some documents that might refresh your
20	recollection.
21	At one time there was a license agreement
22	between Set Free and TBN, which I have here, and it was
23	renewed
24	A For our homes? I think that's for our homes,

Sarroll

isn't it?

hill

1	Q At 511 North Anaheim Boulevard?		
2	A Yes, that's for the homes.		
3	Q Is that license agreement still in effect?		
4	A Yes.		
5	Q That still is in effect?		
6	A Yes. But I think that just has to do with		
7	liability.		
8	Q Well, I think it has to do with more than that.		
9	Maybe you want to look at it. The document will speak for		
10	itself, but that's what it says. It says what it says, if		
11	that document is in effect now.		
12	A Okay. "Provide spiritual, provide homes,"		
13	yeah, it's totally about liability and everything.		
14	Q Is that the agreement that's in effect now?		
15	A Uh-huh.		
16	MR. TOPEL: Yes?		
17	THE WITNESS: Yes, sir. I'm sorry.		
18	BY MR. COHEN:		
19	Q It is?		
20	A Yes.		
21	Q That's what I wanted to know.		
22	A That is, like I said, the liability portion is		
23	what I was looking at on that form.		
24	Q You see this renewal, it's some day you		
25	can't tell what day it is in July of 1987. Is this the		

```
1
     last renewal, or was there a more recent renewal?
 2
                  There should be a more recent renewal, if it's
            A
 3
     a yearly renewal.
 4
                  Is it a yearly renewal?
 5
                  If it is. I don't know.
 6
                  Do you know of your own personal knowledge
            Q
     whether there is a renewal in effect now?
 7
 8
                  My own personal knowledge is that we totally
 9
     update everything all the time, so there must be a newer
10
     one.
11
            MR. COHEN: Would you be willing to provide that,
12
     Mr. Topel, in connection with the representation of TBN?
13
     don't have it.
14
            MR. TOPEL: TBN is a party to that? Sure.
15
            THE WITNESS: Unless this is one where you sign it
16
     once and for all.
17
            MR. TOPEL: Absolutely.
18
            MR. COHEN: You may have supplied it, but I don't
19
     have it.
20
            MR. TOPEL: We will, sir.
21
     BY MR. COHEN:
22
            Q
                  And here is an agreement concerning another
23
     piece of property, a license agreement. I didn't identify
24
     it before. Let me go back.
25
                  Earlier I should have identified the license
```

1 agreement between TBN and Set Free Christian Fellowship 2 dated 9 August 1985, eight pages, document numbers 55284 3 through 55291. Attached to it is a renewal of license 4 agreement between Trinity and Set Free dated August 9, 1985, 5 55292 and 55293. 6 And now I want to show you a license agreement 7 between Trinity and Set Free dated August 9, 1988, and it is two pages, and it's 55282 and 55283. Is that agreement in 9 effect, or is there a renewal of that in effect? 10 A Yes, this is still in effect. 11 A renewal of that? 12 We've got to have a renewal of that, yes, 13 unless this is one of those things you sign and it's until 14 God comes back type of thing. 15 Could I get an update on that? 16 MR. TOPEL: We will get you all of those. 17 BY MR. COHEN: 18 Here is a document called "License Agreement," Q 19 dated 26 September 1989 between TBN and Set Free concerning 20 Colleyville. That's in Texas? 21 Yes, sir. 22 And that's pages 55271 through 55281. Q 23 license agreement or a renewal of that in effect? 24 Yes.

Samula Samula

Q

Thank you. And here is another one, a license

1 agreement between TBN and NMTV dated June 5, 1992, 2 consisting of nine pages, document 55282 through 55270. 3 Is that in effect? 4 Yes. 5 So your testimony is that as of today Set Free 6 doesn't receive a payment any longer from TBN? 7 That's correct. 8 And the only relationship is the relationship 9 set forth in those documents, those contracts that we've 10 identified for the record? 11 A Yes, sir. 12 Is that correct? 13 Yes, sir. 14 0 Does Set Free still transport volunteer prayer 15 counselors to the TBN counseling center? 16 A Upon occasion. 17 How often each month? 18 A Oh, in the last month I have been out of town, 19 but before that we'd do it anywhere from two times to three 20 times a week. 21 And that's going on how? 22 On occasion. Like I said, the last month I 23 have been out of town, so we haven't been doing it, but 24 before that we did it two times, sometimes three times a 25 week, and then probably six months or a year before that we

Sarnolf.

1	did it five	times a week for several years.	
2	Q	Is that pursuant to a written agreement?	
3	A	No. We were doing it before we had any kind of	
4	agreement or	anything at all with TBN ever.	
5	Q	Does Set Free get any compensation for	
6	providing those volunteer prayer counselors?		
7	A	Does Set Free get any compensation right now	
8	for providing those prayer counselors, no.		
9	Q	Has it ever?	
10	A	Yes.	
11	Ω	What compensation did it get?	
12	A	Help with gas.	
13	Q	Did it get any other compensation?	
14	A	No, sir.	
15	Ω	Does it still get help with gas?	
16	, A	No, sir.	
17	Q	Why not?	
18	A	We're just not able to do them upon any certain	
19	time or anything like that or regular or consistently. We		
20	help out eve	ry time we can.	
21	Q	Now, there used to be a Set Free internship	
22	program, cor	rect?	
23	A	Uh-huh. Excuse me. Yes, sir.	
24	Q	And I have a document to show you, an	
25	interoffice	memorandum dated February 27, 1991 to Paul	

1 Crouch from Bob Fopma, document 53049. 2 Let me ask you first: Who is Bob Fopma? 3 He is one of the workers at TBN. I think he is 4 like maybe a manager or some kind of boss down there. 5 And does Set Free still have an internship 6 program with TBN? 7 No. 8 And when did it cease? 9 They were still interning people of ours 10 probably as recent as a few months ago. It's just people 11 that were studying, and some of them got kind of bored, some 12 of them just didn't want to do it anymore, but even as a few 13 months ago some of them were still. 14 0 But no longer? 15 No, there is not an intern going on right now. 16 The document I want to show you, which I've 17 identified, look it over. Does that accurately set forth 18 the Set Free program that existed until a few months ago? 19 A This is an old document right here. Okay. 20 0 There is a more recent one? 21 I'm just saying -- are you trying to make 22 reference that what's going on until a few months ago was 23 just like this document says? That's what I'm trying to find out. 24

After this document was put together, the

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